

ABC WORLD NEWS TONIGHT
19 September 1984INVESTIGATION/
CIA

JENNINGS: We have a fascinating story tonight which involves 22 million missing dollars, a host of investors who lost their money, a man who's accused of swindling them and the CIA. Last July in Hawaii, an investment banker named Ronald Rewald was charged with what investigators said then was a classic scam, hundreds of investors putting millions of dollars into a phony investment plan. At the time, most people concentrated on the people who had lost their money. There is a good deal more to the story. ABC News has been investigating, and now Gary Shepard reports on Ronald Rewald and the CIA

SHEPARD: It was just over a year ago that Ronald Rewald was arrested in Honolulu and thrown in jail, accused of swindling 400 investors out of \$22 million. His investment firm, Bishop, Baldwin, Rewald, Dillingham and Wong, was declared bankrupt. But then the story took a strange twist. Rewald claims he was really working for the Central Intelligence Agency. RONALD\REWALD: I certainly don't deny the fact that I was a covert agent, and I don't deny the fact that I was running that portion of Bishop, Baldwin that involved the agency.

SHEPARD: The CIA won't say whether Rewald was an agent, but admits it had, quote, 'slight involvement' with the Bishop, Baldwin Company. The man appointed by the court as the firm's bankruptcy trustee confirms the CIA connection. THOMAS\HAYES (bankruptcy trustee): Clearly it was a commercial cover operation for the Central Intelligence Agency. One or more agents used it for that purpose. But that doesn't justify stealing \$22 million of someone's money.

SHEPARD: But Rewald denies the money is missing at all. He says it's in several different banks under other names. And as far as slight CIA involvement is concerned, ABC News has learned the agency was heavily entrenched in Bishop, Baldwin, running a number of foreign and domestic intelligence operations, one of which violated an international agreement, others in direct violation of U.S. law. ROBERT\JINKS: I saw personally some documentation of undercover operations that were being carried on under the covers established by Bishop, Baldwin.

SHEPARD: For the CIA? JINKS: For the CIA.

SHEPARD: In a sworn deposition, Bishop, Baldwin consultant Robert Jinks says he too was a CIA agent. He once went to Hong Kong with Rewald, he says, on a clandestine mission. It's purpose to spread scare stories

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